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**MONTANA COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
SUMMARY OF 2000  
ECONOMIC DEVELOPMENT PROJECTS**

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**Locality:** **Mineral County**  
Project Number: 00-01  
Name of Company: Bailey's Superior Post & Pole  
Financing Date: 05/18/00

CDBG Funds: \$ 400,000  
Other Funds:  
    Bank \$ 225,000  
    Equity \$ 178,664  
Total Project \$ 803,664

Job Creation: 15  
LMI Jobs: 15

Use of CDBG Funds: Design/engineering, machinery, equipment, working capital, land acquisition

Mineral County will loan \$368,000 to Bailey's Superior Post and Pole, a new Post and Pole manufacturing facility to be located on 10 acres of the old crown Pacific mill site outside of Superior. The company will recycle small diameter wood left as waste from logging operations. Grant funding of \$32,000 is being made available to the Mineral County Extension Office for administration of the project. The company has projected that 15 jobs will be created, all of which will be made available to or filled by persons from low and moderate income households.

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**Locality:** **Lincoln County**  
Project Number: 00-02  
Name of Company: Kootenai Paving, LLC  
Financing Date: 06/20/00

CDBG Funds: \$ 216,000  
Other Funds:  
    Equity \$ 105,485  
    Norwest Bank \$ 226,000  
Total Project \$ 547,485

Job Creation: 15  
LMI Jobs: 15

Use of CDBG Funds: Machinery, equipment & working capital

Lincoln County will loan \$200,000 to Kootenai Paving, LLC, a new asphalt paving company in Libby. Kootenai Paving will compete for both private and public paving projects including driveways and other residential paving needs. The company will be the only private hot asphalt mix paver in the immediate area and will have the ability to handle paving jobs from start to finish. Lincoln County will use \$16,000 to administer the project. The company will repay the loan to the county's Revolving Loan Fund, which in turn will relend the money to other area businesses. The company has projected that 15 jobs will be created, all of which will be made available to or filled by low and moderate income persons.

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<b>Locality:</b>	<b>City of Kalispell</b>
Project Number:	00-03
Name of Company:	Stream International
Financing Date:	07/14/00

DOC Funds:	
CDBG	\$ 400,000
WIA Funds	\$ 50,000
Other Funds:	
Flathead Elec. Coop	\$ 250,000
EDA	\$ 500,000
City of Kalispell	\$ 750,000
Port Authority	\$ 1,250,000
Stream Intern'l Equity	\$ 1,000,000
Total Project	<u>\$ 4,200,000</u>

Job Creation:	510
LMI Jobs:	370

Use of CDBG Funds: Customized Employee Training

The City of Kalispell was awarded \$450,000 in Department of Commerce (DOC) economic development funds; \$400,000 from the Community Development Block Grant (CDBG) program and \$50,000 Governor's Discretionary Fund under the Workforce Investment Act (WIA). The WIA funds for employee training fund is part of \$150,000 which was transferred to the DOC in October 2000 from the Governor's Discretionary Fund under the Workforce Investment Act administered by the Department of Labor and Industry.

All the DOC grant funds will be used by Stream University and Flathead Valley Community College to make available a customized employee training program for employees with Stream International Services Corporation located in Kalispell. Stream University is the training arm of Stream International, a company that provides Web and voice-based customer support services for technology companies and e-businesses.

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**Locality:** **City of Havre**  
Project Number: 00-04  
Name of Company: Advantage Line Telemarketing  
Financing Date: 8/28/00

DOC Funds:  
CDBG \$ 270,000  
Other Funds:  
Ocwen \$ 85,000  
Advantage Line Equity \$ 386,343  
Total Project \$ 741,343

Job Creation: 100 FTE  
LMI Jobs: 60 FTE

Use of CDBG Funds: Customized Employee Training

The City of Havre was awarded \$270,000 DOC in economic development CDBG funds for customized training of individuals employed by Advantage Line Telemarketing in its recently opened Havre call center. The City will provide a grant of up to \$250,000 to reimburse the company offset the costs training of its new employees. The remaining \$20,000 will be used by the City and Bear Paw Development Corporation of Northern Montana to offset the expenses of administering the project.

Advantage Line Telemarketing is an inbound call center offering a full range of services that includes customer service, fulfillment, data entry and additional support services. Among their customers are twenty-four catalog operations, for which the company captures order data and customer service information. Advantage Line offers flexible work hours to college students and others seeking part-time employment or a second job.

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**Locality:** **Butte-Silver Bow County**  
Project Number: 00-05  
Name of Company: Streaming Solutions, Inc.  
Financing Date: 2/15/01

DOC Funds:  
CDBG \$ 570,000 (\$100,000 can be disbursed)  
Other Funds:  
BLDC \$ 300,000  
Equity (BLDC) \$ 100,000  
Total Project \$ 400,000

Job Creation: 250  
Jobs Retained: 15 (existing Cut Bank employees)  
Total LMI Jobs: 168

## Use of CDBG Funds: Working Capital Loan

Butte Silver Bow Government on behalf of Butte Local Development Corporation was awarded \$550,000 to loan to Streaming Solutions, Inc. for working capital to expand its operations. The project will be managed by the Butte Local Development Corporation using \$20,000 of CDBG grant funds. Loan repayments will be paid to the BLDC to add to their local revolving loan fund. Streaming Solutions, Inc., located in Cut Bank since 1998, is expanding its headquarters and customer service and technical support center into Butte's Cybervillage.

The company will retain its encoding and research and development operations in Cut Bank. The company delivers to clients quality digital video and audio via the Internet. Clients include major telecommunications companies, Internet providers, television and video studios, and government and educational institutions. As of Spring 2001, the company is focusing on selling their broadband and focusing on providing streaming video applications to educational institutions rather than the entertainment industry.

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<b>Locality:</b>	<b>City of Belgrade</b>
Project Number:	00-06
Name of Company:	Pathway Systems, Inc.
Financing Date:	2/15/01

DOC Funds:	
CDBG	\$ 262,000
WIA Funds	\$ 50,000
Other Funds:	
City of Belgrade RLF	\$ 250,000
Bank ( <i>SBA 7A Guarantee</i> )	\$ 490,000
Bank	\$ 200,000
Total Project	<u>\$ 1,252,000</u>
Job Creation:	55
LMI Jobs:	35

## Use of CDBG Funds: Customized Employee Training, Working Capital and Equipment

The City of Belgrade was awarded \$312,000 in Department of Commerce (DOC) economic development funds; \$262,000 from the Community Development Block Grant (CDBG) program and \$50,000 Governor's Discretionary Fund under the Workforce Investment Act (WIA). The WIA funds for employee training fund is part of \$150,000 which was transferred to the DOC in October 2000 from the Governor's Discretionary Fund under the Workforce Investment Act administered by the Department of Labor and Industry. The City will provide both loan and grant funds to Pathway for expansion and customized employee training.

Pathway will offer customized employee training to 55 additional manufacturing employees. The City will reimburse up to \$175,000 of the company's training costs in the form of a grant that includes the \$50,000 of WIA funds and \$125,000 of the CDBG funds.

In addition, Belgrade will loan \$125,000 of CDBG funds to Pathway for working capital and equipment needed for product diversification and expansion. Loan repayments are committed to the City's existing revolving loan fund (RLF). The remaining \$12,000 of CDBG funds is available to the City to help offset the costs of administering the project.

Pathway supplies a wide array of products and value-added support services such as engineering design, metal machining, and plastic fabrication to the microelectronics industry.

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<b>Locality:</b>	<b>Flathead County</b>
Project Number:	00-07
Name of Company:	Pluss Corporation, Inc.
Financing Date:	3/5/01

DOC Funds:	
CDBG	\$ 262,000
WIA Funds	\$ 50,000
Other Funds:	
Bank	\$ 300,000
Equity	\$ 15,000
Total Project	<u>\$ 655,200</u>

Job Creation:	12
Jobs Retained:	15
Total LMI Jobs:	14

Use of CDBG Funds: Customized Employee Training and Working Capital

Flathead County was awarded \$340,200 in economic development funds from the Montana Department of Commerce. The combination of loan and grant funds will be used to provide working capital for expansion and a customized employee training program for Pluss Corporation, an existing business located in Columbia Falls.

The County will provide the company with a CDBG grant of up to \$85,000 and WIA grant for up to \$50,000 for customized training of new individuals employed by the company and for upgrading the skills of its existing employees. Also included in the package is a CDBG loan of \$180,000 to Pluss for working capital needs. The remaining CDBG grant funds of \$25,200 are available to the County and the Northwest Business Center for the costs of administering the grant. Loan repayments are dedicated to the County's existing revolving loan fund administered by the Northwest Business Center.

Pluss Corporation provides business management software and consulting services to the heavy-duty automotive, engine rebuilder and radiator industries. The company serves over 2000 customers across the United States, Canada, Mexico, the Caribbean Basin, and other parts of the world.

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**Locality:** **Missoula County**  
Project Number: 00-08  
Name of Company: Pyramid Mountain Lumber, Inc.  
Financing Date: 03/22/01

CDBG Funds: \$ 400,000

Other Funds:

MAEDC RLF \$ 332,000

CIT/SAFECO \$ 1,350,000

Bank \$ 5,600,000

Total Project \$ 7,682,000

Retention: 93 (existing)

Job Creation: 37(rehires)

LMI Jobs: 54%

Use of CDBG Funds: Machinery, equipment & working capital

Missoula County on behalf of the Missoula Area Economic Development Corporation (MAEDC) was awarded \$368,000 in funds to loan to Pyramid Mountain Lumber, Inc., located in Seeley Lake, to purchase new automated machinery and equipment, phase I of the two-phase plan to modernize the mill. CDBG grants funds of \$32,000 will be used by MAEDC to manage the project and the resulting loan repayments. Pyramid Mountain Lumber is a planing and saw mill which was founded in Seeley Lake in 1949. With the new automated machinery and equipment, the company will be able to remain open and rehire previously laid off workers.